

**LOCAL AGENCY FORMATION COMMISSION
COUNTY OF SAN BERNARDINO**

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DATE: JULY 9, 2004
FROM: SAMUEL MARTINEZ, LAFCO Analyst
TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: Agenda Item #4: LAFCO SC#206 – City of Upland Sewer Service Agreement SSA-2003-08-02 (Plount – San Antonio Heights Area)

INITIATED BY:

City of Upland, on behalf of property owner

RECOMMENDATION:

1. For environmental review, the following actions are to be taken as a responsible agency:
 - a. Certify that the Commission has reviewed and considered the environmental assessment and the Mitigated Negative Declaration prepared by the County of San Bernardino for Tentative Parcel Map (TPM) 16291 to create four (4) lots on 1.37 acres, and found them to be adequate for Commission use;
 - b. Determine that the Commission does not intend to adopt alternatives for this project, that all mitigation measures are the responsibility of the County of San Bernardino, not the Commission, and are self-mitigating through the implementation of the adopted Conditions of Approval for the project; and
 - c. Direct the Clerk to file the Notice of Determination within five (5) days of this action.
 - d. Approve LAFCO SC#206 authorizing the City of Upland to extend sewer services outside its boundaries to current Assessor Parcel Numbers (APN) 1003-521-01 and 1003-521-02, which are being divided into 4 lots through TPM 16291; and

2. Adopt LAFCO Resolution #2826 setting forth the Commission's findings, determinations, and approval of the agreement for service outside the City of Upland's boundaries.

BACKGROUND:

The City of Upland has submitted a request for approval of a service contract to provide sewer service outside its boundaries in compliance with Government Code Section 56133. Sewer service is proposed to be extended to the properties currently assigned with APN's 1003-521-01 and 1003-521-02. The project area is currently vacant and is located on the southeast corner of Mountain Avenue and Glendale Road, within the City's northern sphere of influence which encompasses the community known as "San Antonio Heights".

Though the parcels proposed to be served are contiguous to the City's boundaries along Mountain Avenue, annexation of these parcels is not an option due to past and ongoing opposition for annexation from the community of San Antonio Heights. Due to this historic opposition from the residents of the community, the County and the City entered into a Memorandum of Understanding (MOU) back in 1989 regarding sewer service provision. This MOU states that the City of Upland agrees to provide sewer service to properties within the San Antonio Heights area for the preservation of its underground water supply from future contamination by septic tank use.

The County Land Use Services Department (LUSD) has processed the approval of TPM 16291 which creates 4 new lots on the two existing parcels. One of the conditions of approval placed upon this project includes the requirement for connection to the City of Upland's sewer system (Conditions #21, 22, & 23). Therefore, approval of this application would satisfy the condition that would allow the recordation of this TPM with the County.

The approval process through the County had been questioned by an adjacent property owner who filed a request to deny the TPM. The request to deny the approval of the TPM, which was administratively approved by the County's LUSD, was submitted to the County's Planning Commission for review. The appeal was heard by the Planning Commission on July 8, 2004. The Planning Commission's action rejected the appeal and upheld the County's approval of the TPM.

The City's application indicates that service will be provided to the 4 lots through the extension of an 8-inch sewer main by approximately 850 feet. Pursuant to the Commission's application requirements for service contracts, information must be provided regarding all financial obligations for the extension of services outside an agency's boundaries. The City of Upland has

submitted an estimated total cost of \$17,484 for sewer service to the entire project. Following is the breakdown of the calculation based on the number of equivalent dwelling units (EDU):

Capital Cost Recovery Fee (since developer is extending the sewer mains at their own expense, there are no sewer capital costs)		No charge
Facility Expansion Fee – City	\$466 x 4 EDU's	\$1,864
Facility Expansion Fee – IEUA	\$3,905 x 4 EDU's	\$15,620
TOTAL		\$17,484

In addition, all costs for service extension (extension of sewer main and laterals) shall be the obligation of the owner/developer of the TPM. Also note that future users of the sewer service will be charged 1.5 times the in-city monthly rate. The higher rate charged to outside customers is intended to help offset the costs for service delivery outside the City's corporate boundaries.

Authorization of this agreement by the Commission is required before the City of Upland can take the final actions to implement the terms of the agreement. Likewise, in order for the development to proceed through the County, it must show proof of its ability to connect to the City of Upland's sewer infrastructure, which is one of the conditions of approval placed upon the project.

For these reasons, staff supports the City's request for authorization to provide sewer service to these parcels.

FINDINGS:

1. The project area, identified as APN's 1003-521-01 and 1003-521-02, is within the sphere of influence assigned the City of Upland. These parcels will receive their water service from the San Antonio Heights Mutual Water Company and the application requests authorization to receive City of Upland sewer service.
2. The Sewer Service Agreement No. 2003-08-02 is being considered for the provision of sewer service to four (4) newly-created lots through TPM 16291 located on the southeast corner of Mountain Avenue and Glendale Road. This contract will remain in force and in perpetuity until such time as the area is annexed. Approval of this application will allow the property owner and the City of Upland to proceed in finalizing the contract for the extension of sewer service.

The County Land Use Services Department has processed the approval of the TPM. One of the conditions of approval is the verification that sewer connection to the project is available through the City of Upland prior to recordation of the TPM. Therefore, approval of the City's request for authorization to provide sewer service will satisfy this particular condition of approval for the TPM.

3. The fees charged this project by the City of Upland are identified as totaling \$17,484 (Facility Expansion Fee - City \$466 x 4 -- Facility Expansion Fee – IEUA \$3,905 x 4). Payment of these fees is required prior to connection to the City's sewer facilities.

Also, the owner/developer is required to extend the sewer mains at their own expense. Therefore, no Capital Cost Recovery Fee is being charged to the owner/developer.

4. In March 2004, acting as the CEQA lead agency, the County prepared an environmental assessment for TPM 16291. The assessment indicates that the project would not have a significant effect on the environment through its development under the Conditions of Approval that has been prepared for the TPM.

LAFCO's Environmental Consultant, Tom Dodson and Associates, has provided a review of the County's Initial Study and the Mitigated Negative Declaration issued for the TPM. Mr. Dodson's analysis has indicated that the County's initial study and Negative Declaration are adequate for the Commission's use as CEQA responsible agency. The Commission will not be adopting alternatives or mitigation measures for this development, as these are the responsibility of the County and are considered self-mitigating through implementation of the Conditions of Approval. Attachment #4 provides a copy of Mr. Dodson's response and recommendation regarding the Commission's review and necessary actions to be taken.

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Attachments:

1. Vicinity Map and Map of the Contract Area
2. City of Upland's Application, Cost Worksheet and Contract
3. County Conditions of Approval For TPM 16291
4. Tom Dodson and Associates Response including the County's Environmental Documents for TPM 16291
5. Draft Resolution #2826